



News Release

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REVISED FEDERAL-STATE REFERENCE GUIDE NOW AVAILABLE

WASHINGTON – The Internal Revenue Service announced today that newly revised Publication 963, “Federal-State Reference Guide,” is now available on its Web site at www.irs.gov/govts.

Publication 963 is the primary reference guide for 90,000 state and local governments on tax and benefit issues concerning Social Security and Medicare coverage and the employment tax obligations of public employers. The publication was last revised in 1997.

“This revision of Publication 963 is the culmination of a partnership effort among the IRS, the Social Security Administration and the National Conference of State Social Security Administrators,” said Chuck Peterson, Director of the IRS’s Government Entities Division. “It’s an indispensable guide for state and local government entities.”

The revised publication features expanded and updated explanations of public retirement systems, Social Security coverage rules and the reorganization of the IRS and the Social Security Administration. It also includes updated contact information for individual assistance.

Public employers face tax-related requirements different from private or federal government employers. Most employees are covered either by mandatory Social Security and Medicare coverage or by voluntary “section 218 agreements.” These are voluntary agreements, under section 218 of the Social Security Act, between the federal government and individual states to provide Social Security and Medicare coverage to public employees. Publication 963 addresses coverage for both situations, as well as the requirements for employees who are covered by non-Social Security retirement systems.

In addition to being on the IRS Web site, Publication 963 will be available in print form in July and can be ordered by calling the IRS toll-free at 1-800-TAX-FORM (1-800-829-3676).

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